

Strategy Highlights

Background and Context for Planning

The following strategic plan for Cranbrook Tourism was developed with the input of Cranbrook's tourism stakeholders and with the leadership of Directors of the Board and the Executive Director of Cranbrook Tourism. Engagement opportunities included a series of one-on-one interviews with Directors and stakeholders, a Board workshop followed by a Board review of the draft plan. A presentation will be given at the upcoming Annual General Meeting that will be open to all stakeholders to hear the future direction for Cranbrook Tourism and to allow them to contribute any additional thoughts and ideas to the planning process. A final draft plan will also specifically shared with accommodators as part of the renewal process of the 3% Municipal and Regional District Tax which requires a majority of accommodators to sign a petition requesting continuation of the MRDT.

The tourism industry around the world has experienced unprecedented turmoil since the announcement of the global pandemic in March 2020. Here in British Columbia, tourism businesses have effectively been closed to other than regional and domestic business for much of the last 15 months and the impact of travel restrictions have been particularly impactful in towns in the Kootenay Rockies tourism region like Cranbrook, that rely heavily on visitation from Alberta and unrestricted travel between provinces. Fortunately, Cranbrook's accommodators did benefit both from BC residents exploring their own Province and from workforce lodging for several large projects underway in the area.



The pandemic has brought to the fore the importance of the tourism industry's social license within a community and the need to work collaboratively with residents to welcome visitors. The crowds of BC residents touring their own Province and recreating in the front, mid and backcountry has amplified the need for destination management strategies and opportunities for diversion of travellers to less frequented areas having capacity in peak times as well as attraction of higher yield, longer stays rather than a focus on mere volume of visits. Many Destination Management/Marketing Organizations (DMOs) all around the Province are recognizing that continuing engagement and communication with local residents has become part of their core mandate in addition to stakeholder engagement and continued destination marketing activities.

As travel resumes, many pundits are theorizing on the nature of changes in traveller needs and expectations. A literature review (see Appendix A), identified the following commonly shared views on the future of travel including these anticipated trends:

- Growth in wellness tourism in all its forms (traditional spa/hot springs, forest bathing etc.)
- More time in the wilderness as an antidote to urban life
- Desire to leave a positive footprint/give something back to local communities (especially those offering programs that support protected areas, protected species)
- More interest in volun-tourism programs – travel with purpose/meaning
- Responsible travel – low impact on the planet
- Desire to learn and make connections – local interaction and smaller, authentic destinations
- Excitement for bucket list trips (a shorter, edited list of desired experiences)
- Longer trips/work-actions
- Optimism about long-haul destinations – but planning short haul travel in the immediate
- Need for safety and flexibility

Many of these trends can be leveraged in Cranbrook's favor. Cranbrook is well positioned to focus on travel interests in wellness, time in the wilderness as an antidote to urban life and the desire for local interaction and smaller, authentic destinations (the authentic Rockies experience). For international travellers, the Rockies remain a bucket-list experience.



As well, these trends inform new opportunities for Cranbrook Tourism and its stakeholders and as relevant, have been considered in the plan that follows.

The role of the DMO has also continued to evolve over the last five years since Cranbrook Tourism's last strategic planning process. Destination marketing remains an important focus of investment, and this will continue to be a priority as all destinations aggressively compete for the return of travellers post-pandemic. However, the need for destination *management* also continues to grow. These destination management imperatives include participation by the DMO in initiatives that enhance the visitor experience directly through programs like provision of visitor information services, front-line service training, stakeholder digital literacy, or support for festivals and events. They also include collaboration with a wide range of partners whose investments while perhaps not primarily for visitors, also impact their experience such as those made by Federal Departments (Parks Canada), Provincial Ministries (ENV/Parks, TRAN, FLNRORD for resource roads etc.), local and regional governments etc. Given the growing breadth of responsibilities, DMOs

around the Province are considering how to increase resources available to them for investment on behalf of their stakeholders and the local tourism industry. This plan also considers possible incremental sources of revenue for Cranbrook Tourism beyond renewal of the 3% MRDT.

The Next Five Years - Strategic Direction

Cranbrook Tourism's Vision:

We will inspire travellers to choose Cranbrook as their preferred multi-night basecamp for authentic outdoor and cultural experiences in the Kootenay Rockies.

Cranbrook Tourism's Mission:

Cranbrook Tourism works collaboratively with partners to promote Cranbrook as a year-round travel destination and to facilitate improvements to the overall destination experience offered to visitors.

Cranbrook Tourism's Guiding Principles:

As we progress towards our vision and fulfill our mission, Cranbrook Tourism will make strategic, research informed decisions and conduct itself in a manner that is:

- *Respectful of our community, our stakeholders, our partners and the environment upon which we all depend*
- *Inclusive and Collaborative*
- *Transparent and Accountable*





Cranbrook Tourism's Core Objectives:

Cranbrook Tourism's five-year strategy is designed to deliver measurable results in the pursuit of seven core objectives across four themes:

Economic Contribution	<ul style="list-style-type: none">• Increase overall value of the tourism economy• Increase average length of visitor stay at all times of year• Increase shoulder season occupancy levels and rate
Visitor Experience	<ul style="list-style-type: none">• Offer visitors information, where and when needed, to encourage longer stays, more spending and responsible travel• Enhance the visitor experience provided through stakeholder education and advocacy
Stakeholder Experience	<ul style="list-style-type: none">• Achieve strong levels of stakeholder awareness and support for Cranbrook Tourism
Resident/Community Experience	<ul style="list-style-type: none">• Increase resident understanding of the value of the local tourism industry and support for the tourism industry

While these seven core objectives remain consistent regardless of total resources available to the organization, Cranbrook Tourism's ability to make progress in each area is limited by funds available. This plan for the next five years is structured so as to identify priority investments should resources not expand beyond the current 3% MRDT collected on properties within the City of Cranbrook boundaries. It then further identifies the priority investments and incremental activities that will be undertaken if the additional resources identified are confirmed, such as expanding the MRDT catchment; securing a contract from the City/Regional District for provision of Visitor Information Services and/or other sources come to fruition.

The methodology for measuring progress against each of these objectives is as follows:

	Objective	Methodology	Measure
1.0	Increase overall value of tourism economy	Value of tourism input/output model baseline established using pre-COVID 2019 data	Value of tourism economy in 2025 equivalent or better than 2019
2.0	Increase average length of stay at all times of year	Accommodation reporting	Average length of stay increases year over year
3.0	Increase shoulder season occupancy and rate (April/May and October/November)	Use MRDT collected in these months as a proxy for performance	MRDT collected in shoulder seasons increases year over year
4.0	Offer visitors information where and when needed to encourage longer stays, greater spending and responsible travel	Record visitor interactions	No. of visitors served in Visitor Centre; digitally and in mobile locations
5.0	Enhance the visitor experience through education and advocacy	Periodic visitor survey	Comparison to previous results
6.0	Achieve strong levels of stakeholder awareness of/support for Cranbrook Tourism	Annual stakeholder survey	Achieve 'Very Good' or 'Excellent' scores (Top Box) of 80% or higher in all key measures
7.0	Residents of Cranbrook understand the value of tourism and support the local tourism industry	Annual resident survey	

Cranbrook's Strengths/Weaknesses/Opportunities/Threats

Strengths (conditions inherent to the Cranbrook experience):

- Easy access to a wealth of outdoor recreation experiences suitable for all ages and abilities
- Family friendly and age friendly activities with accessible trails, easy hikes, warm lakes, interesting venues and various events in Cranbrook and at nearby Fort Steele
- Performance, heritage and meeting venues; sports facilities/fields suitable for hosting all manner of events at all times of year
- Warmer weather and sunshine lengthens the season for many outdoor activities
- Canadian Rockies International Airport (YXC) with 10 flights daily between Calgary, Vancouver operated by Air Canada/Pacific Coastal and WestJet

- Scenic beauty of the Rocky Mountain trench with mountains and waterways at the doorstep of the City
- Uncrowded while still having the amenities as the largest City in the Kootenays
- Willingness of the Ktunaxa to share their culture with visitors and be visibly present on their homeland – St. Eugene Resort nearby with Cultural/Interpretive Centre at former Residential School
- Unique railcar collection having National significance; significant investments made in restoration and preservation over many years with a visible highway presence
- Interesting geology/paleontology in the area
- Excellent angling and hunting opportunities
- Five years of foundational work complete with a strong team and Board of Directors at Cranbrook Tourism

Weaknesses (conditions inherent to the Cranbrook experiences):

- Reliance on private vehicles for transportation from XYZ or within/around Cranbrook
- Unattractive highway frontage creates and confirms off-brand perceptions of Cranbrook as a short stop only rather than a place to stay multi-nights to explore the Rockies/Kootenays
- Downtown is in need of revitalization/beautification including thoughtful connections to the Cranbrook History Centre/Canadian Museum of Rail Heritage, downtown businesses and heritage neighbourhoods through urban parks, attractive streetscapes, wayfinding signage etc.
- Trail networks are expanding however there is limited funds for trail maintenance
- Residents are unclear on the value of the tourism sector and the many reasons they could convey to visitors to stay longer in Cranbrook – poor self image
- Many dedicated and well-intentioned organizations and special interest groups however they are generally operating in silos and missing opportunities for collaboration and leveraging of efforts for greater benefit for all

Opportunities (external trends/conditions of which we can take advantage to achieve objectives)

- Travellers (Authentic Experiencers) are seeking uncrowded, less commercialized new experiences to explore
- Pre-COVID growth in interest/participation levels in Indigenous cultural experiences anticipated to resume
- 'Rockies' has significant recognition and aspirational value for travellers
- Pent-up demand for travel and for opportunities to reunite with friends and family post-COVID
- Many other destinations are positioning as more extreme outdoor recreation meccas leaving an opportunity for Cranbrook to 'own' family friendly/ softer experiences both indoors and outdoors

- Sporting events are resuming and there is pent-up demand for tournaments that can use Cranbrook's facilities
- Cultural events are resuming and there is pent-up demand for live performances that can be produced in Cranbrook's venues

Threats (external trends/conditions which may harm achievement of objectives):

- New waves of COVID-19 or variants thereof
- Well-funded competition positioning for the return of the same travel segments being targeted by Cranbrook Tourism potentially with greater brand clarity and awareness levels
- Economic 'fall-out' of COVID support programs leading to inflation, higher interest rates or other impacts on disposable income of travellers

Cranbrook's Unique Selling Proposition/Messaging to Target Markets

Cranbrook's unique selling proposition relative to its neighbouring communities and within the Kootenay Rockies tourism region is considered to be the following:

- 'Basecamp' to the Rockies – close proximity to golfing, skiing, hiking, biking trails as well as easy access to supplies and provisions and a range of accommodations and restaurants/retail shops
- The 'softer' side of the Rockies with warm sunny days, lower elevations for longer seasons of hiking/biking and growing network of accessible, family friendly trails and a good selection of activities for all ages
- Affordable and friendly experiences and activities
- Density of venues and locations suitable for events of all kinds – performance arts, culture/heritage, sport (team play) as well as outdoor endurance events

Importantly, over the next five years Cranbrook Tourism will focus an investment of resources on clearly conveying these differentiators to targeted travellers and market research will be commissioned to better understand current traveler perceptions of Cranbrook including any opportunities to 'rediscover' Cranbrook by those who possibly are holding onto inaccurate perceptions of the Cranbrook experience.

Cranbrook's Target Markets:

Cranbrook Tourism's ability to grow year-round visitation and length of stay requires focus and understanding of travel markets that will respond to Cranbrook's destination experience and unique selling proposition.

Cranbrook Tourism's choice of target markets for the next five years must also reflect upon new travel trends arising out of the pandemic and through the recovery period. Research reviewed from various sources such as Destination Canada, Destination BC and the web-based literature review that was conducted, share the common perspective that for the next 1-2 years the majority of travel will still likely be closer to home and domestic. Cranbrook's proximity to the US border however also creates an opportunity to appeal to these travellers.

As a consequence, the highest yield markets for Cranbrook Tourism over the next five years are anticipated to be:

- AB residents (southern AB particularly);
- BC residents - particularly from the Okanagan;
- SK and MN residents
- WA, ID, MT - US drive-market
- Visiting friends/family market
- Regional/provincial and national events/tournaments

A review of research commissioned by Destination Canada indicates that international markets are expected to begin recovering with some possible return of long-haul travel for winter 2021/22 but more likely a slow re-building from summer 2022 onwards with full recovery to 2019 levels of travel not anticipated until 2025 or 2026. Cranbrook is well positioned to attract international touring travellers as part of the larger Highway 3 Corridor Tourism Alliance, particularly if destination development investments are made in the interim in a number of key areas.



To assist in categorizing target markets by nature of motivating activity, growth opportunities are identified below. Growth opportunities are those that have exhibited historical strength and require continued investment to maintain momentum around conversion and intention to travel. Emerging opportunities also require investment but the nature of program investments weigh more heavily towards building awareness, intrigue and the provision of compelling information that leads to conversion.



Cranbrook's Growth Opportunities (continued investment to maintain momentum with a focus on conversion):

- Travellers from AB, SK, MN looking for a warmer getaway in a mountain setting
- Golf enthusiasts seeking a 3-4 night golf getaway – AB market; BC resident market (Okanagan);
- Sport events and tournaments with a focus on extending length of stay (come early/stay later) and encouraging return visitation at other times of year
- Art/cultural/heritage performances and events as the anchor for a multi-night getaway itinerary for drive markets
- Visiting friends/families with a focus on changing residents' own perceptions of Cranbrook and promoting the many things to see/do locally that can be shared with friends/family when they come to visit

Cranbrook's Emerging Opportunities (increased investment to grow returns from these markets with a focus on building awareness, intrigue leading to conversion):

- Hiking and mountain biking enthusiasts seeking scenic hikes/rides combined with interesting post-hike arts, culture, heritage and culinary experiences
- Recreation for all ages – families with young children; multi-generational trips; active seniors who enjoy travelling outside of peak summer and are seeking new and easily accessed outdoor recreation suited to their fitness level along with interesting post-hike arts, culture, heritage and culinary experiences
- Young families with pre-school aged children – active parents who enjoy outdoor recreation and educational attractions/experiences for their children
- Families with school aged children – seeking new summer vacation destinations that offer a range of experiences that are easily accessed from a basecamp
- Touring travellers (private vehicles, RV's, motorcycles, road biking) exploring the Kootenay Rockies region
- Meetings and conferences

Cranbrook Tourism's Strategic Pillars

In order to achieve these seven objectives, Cranbrook Tourism will focus its resources in three principal areas or strategic pillars:

1.0 Destination Marketing

Cranbrook Tourism will invest in research-informed marketing campaigns that build awareness of Cranbrook as a preferred multi-night basecamp and creating urgency to visit in target markets.

Note: All of the noted Destination Marketing activities will occur regardless of the level of resources available to Cranbrook Tourism however, the size and reach of the investment will be extended should more resources be available.

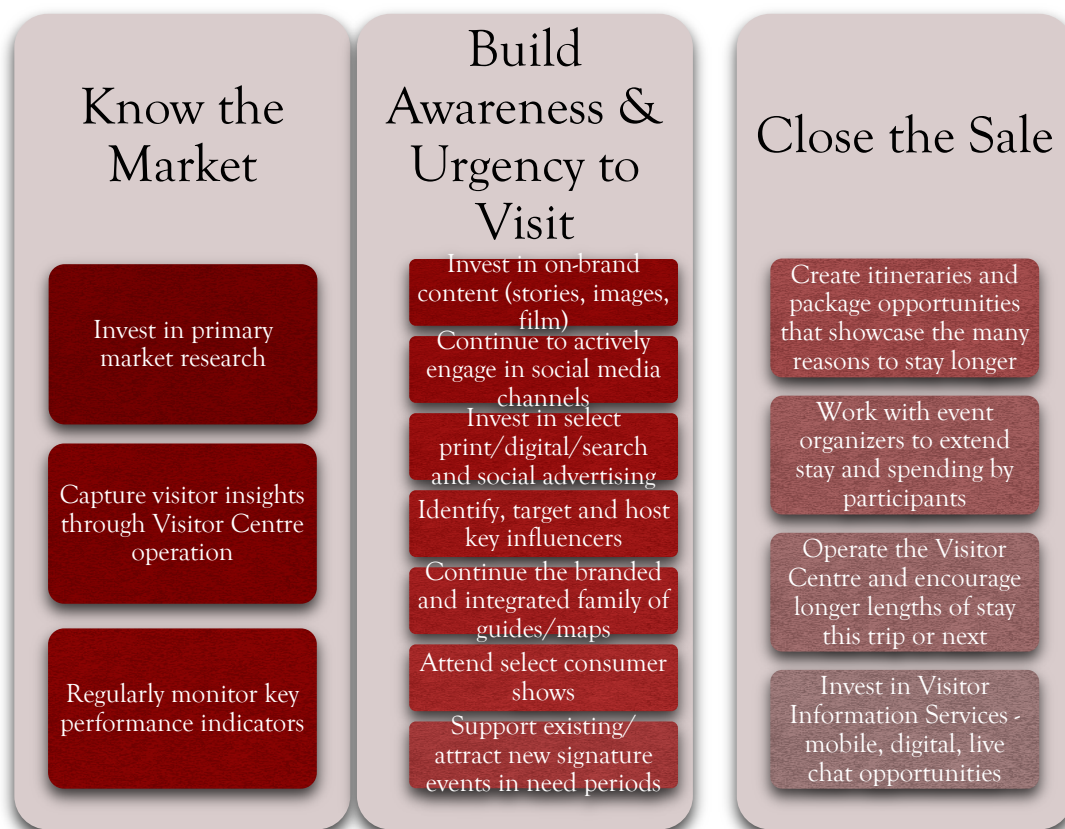
Destination marketing will include the continuation of investments as well as constant monitoring of market opportunities and initiation of new campaigns in response to these opportunities. Investments will be identified in each annual marketing plan and are anticipated to include the following:

- Undertake primary market research to understand current perceptions of Cranbrook and identify narrower target markets using tools such as Prizm/postal code analysis (Year 1), Telus Insights etc.
- Review Cranbrook's destination branding and add 'heart' to the basecamp positioning through telling 'Stories from Basecamp Cranbrook'
- Attract and host media/influencer relations
- Secure on brand content and share with audiences; amplify through partners like Kootenay Rockies Tourism, Destination BC, Indigenous Tourism BC
- Continue to invest in website improvements showcasing trip ideas and itineraries that demonstrate Cranbrook's ideal location for multi-night stays and softer adventure
- Social media engagement and relationship building
- Print, digital, search and social media advertising
- Print collateral – guides and maps
- Consumer show attendance (select shows only)

In addition to the strategies listed above, additional focus is recommended in promotions directed to attendees coming for various events in and around Cranbrook. Special offers, welcome packages sent in advance of arrival and other initiatives that encourage travellers to come early and stay later than their actual event have proven to be highly effective in other destinations. Active engagement with sports clubs to assist them in securing regional, provincial and national tournaments can also occur. With regard to cultural events,

Cranbrook Tourism can work with the venues themselves and with the cultural and heritage Societies to market events and consider opportunities to extend stays with complimentary experiences or additional invitation-only extensions of a particular experience.

Promotions are also recommended for the resident audience to build knowledge of things to do locally, pride in the destination and opportunities to share and 'Show More Cranbrook'.





2.0 Destination Development

Cranbrook Tourism will provide leadership and tourism insights to tourism experience providers, to the City of Cranbrook and to other partners to ensure Cranbrook develops as an attractive and memorable destination for travellers.

- *Cranbrook Tourism will provide visitors with the information they need, in the form and location they prefer in order to encourage them to stay longer in Cranbrook.*
- *Cranbrook Tourism will educate travellers and tourism businesses so that the local tourism economy evolves respectfully and responsibly with the continued support of local residents.*
- *Cranbrook Tourism will work collaboratively with local clubs, venues, Societies to grow existing events, support the launch of new events in need periods and/or attract third party produced events to create more reasons to visit Cranbrook at all times of year.*
- *Cranbrook Tourism will support tourism businesses seeking to access the training and education they need to consistently deliver remarkable and responsible experiences to visitors.*
- *Cranbrook Tourism will contribute tourism knowledge and expertise to develop a Cranbrook Tourism Master Plan and to ensure that on an ongoing basis the visitor perspective is considered in all significant local projects/ventures.*

Note: Beyond relatively minor participation in meetings and discussions, Cranbrook Tourism will require additional resources in order to be able to activate these Destination Development strategies and have any meaningful impact. Launch of this area of the five-year strategic plan is contingent on acquiring these additional resources. In December 2021, the City of Cranbrook awarded a one-year contract to Cranbrook Tourism for management of the Visitor Centre effective immediately. Consequently, this aspect of both the Destination Marketing and Destination Management pillars has already been activated in 2022 and ideally a multi-year contract with the City will be negotiated for 2023 and beyond.

The City of Cranbrook is undertaking a Tourism Master Plan. This comprehensive review of Cranbrook's future as a visitor destination is intended to consider without limitation the following:

- The 'arrival experience' in Cranbrook and how to improve it including connectivity with the downtown core and heritage districts
- Downtown beautification and revitalization
- Opportunities to support the Ktunaxa and create a visible presence in their homeland as well as offer authentic cultural experiences for visitors

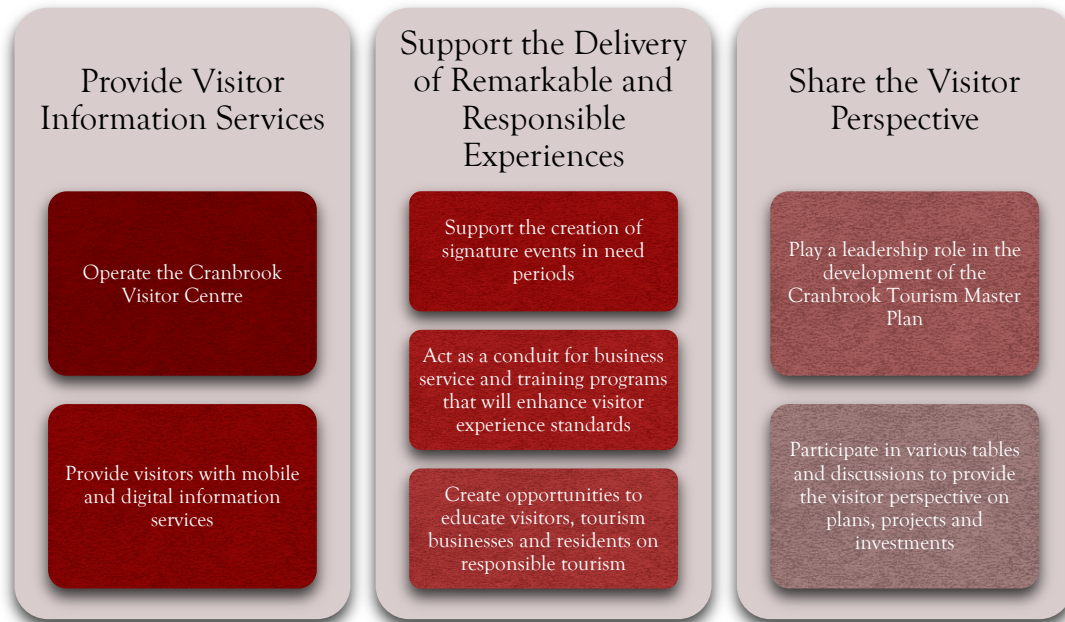


- Future plans for the Cranbrook History Centre and the Canadian Museum of Railway History and the optimal role of this significant asset and highway frontage
- Location(s) of the Visitor Centre and return on investment from the provision of visitor information services

In addition to the leadership needed to engage and collaborate throughout a Master Planning process, there is also a desire on the part of stakeholders for Cranbrook Tourism to support local businesses in achieving consistently high service standards and in participating effectively in digital promotion.

Therefore, within this strategic pillar, Cranbrook Tourism will:

- Provide visitor information services in the form/location needed by travellers (Visitor Centre, mobile visitor information, digital visitor information, kiosks etc.) offering content that encourages travellers to stop and stay longer in Cranbrook this trip and in the future.
- Lead the local delivery of programs designed to educate visitors, tourism businesses and residents on the nature of responsible tourism including programs for businesses to reduce their carbon footprint, opportunities to collaboratively promote dispersion of visitors to lesser used areas having capacity and to educate on proper backcountry etiquette etc.
- Work with event organizers, performance and event venues, clubs and Societies to find ways to attract longer-haul travellers, extend events to multi-days and create multi-faceted, themed itineraries to encourage longer stays in need periods. Relationships will be built with third party event organizers to encourage them to choose Cranbrook as their host destination.
- Play a leadership role in the development of a Tourism Master Plan for Cranbrook and on an ongoing basis provide a visitor 'lens' on investments in transportation, infrastructure or experiences/services/amenities being considered by both the private and public sector to encourage informed decisions and alignment of resources for maximum return.
- Act as a conduit for the many resources available to support tourism businesses including digital literacy (Destination BC), business planning/mentoring (Community Futures/Columbia Basin Trust), electric vehicle business opportunities (Kootenay Rockies Tourism), accessibility tourism audits/opportunities (KRT/Spinal Cord Injury BC) etc.



3.0 Partnerships and Collaboration

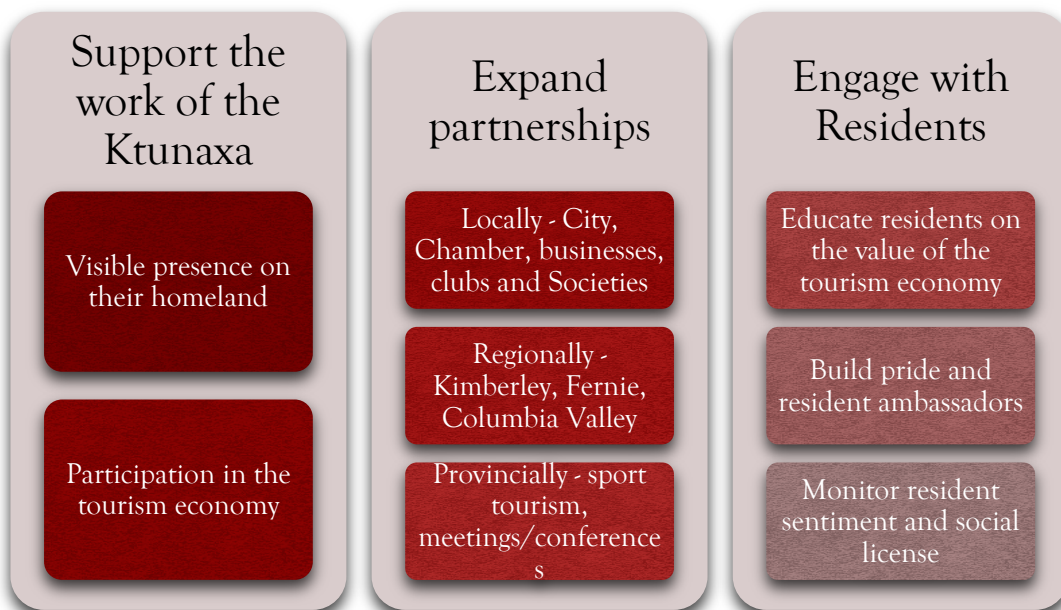
Cranbrook Tourism will actively engage with local, regional and provincial individuals, businesses and organizations to ensure that its resources are fully leveraged, that the return on investment secured for stakeholders is maximized and that social license from residents retained.

Note: Similar to Destination Development, Cranbrook Tourism will only be able to make meaningful progress in the area of Partnerships and Collaboration with incremental resources. If resources remain similar to the previous five years, opportunities to collaborate with other destinations (like Kimberley, Fernie), with other experiences (like St. Eugene, Fort Steele) etc. will still be pursued but incremental strategies beyond this to engage more fully with the Ktunaxa, with residents of Cranbrook, with local clubs/Societies and with front-line staff will require incremental resources.

Cranbrook Tourism will:

- Continue to build strong and respectful relationships with the Ktunaxa supporting their efforts to have a visible presence on their homeland and participate in the tourism economy
- Engage with residents and monitor resident sentiment for the tourism industry offering information and engagement opportunities to share and educate residents on the importance of tourism, its contribution to the community and to listen to any concerns that may be expressed by residents.

- Engage with Cranbrook residents to build knowledge of the many reasons for visitors to stay longer; generate local pride and resident ambassadors
- Facilitate opportunities for residents/front-line staff to explore Cranbrook and become better educated about the experiences on offer
- Explore opportunities to increase regional collaboration and the leveraging of resources with Kimberley and Fernie and other communities with a view to eliminating duplication of marketing efforts and increasing overall return on investment
- Work with local clubs and Societies to attract and host regional, Provincial and National events



Implementation Considerations

Resources

The ability of Cranbrook Tourism to activate the strategies contained within this five-year plan is dependent upon careful allocation of the human and financial resources available to the organization. Stakeholder engagement confirmed that the historical activities of Cranbrook Tourism have all delivered results and provided value to them. There was nothing identified that should be stopped or eliminated. The organization's resources have already been impacted by pandemic travel restrictions. For Cranbrook Tourism to continue all its past activities, launch recovery programs and more actively engage with stakeholders and residents launching programs related to destination development, responsible travel and activities to ensure a continued social license from the community, it will be necessary to increase the pool of resources.



Several opportunities were considered to increase the financial resources available to Cranbrook Tourism including:

- Assuming responsibility for the operation of the Visitor Centre from the Chamber of Commerce
- Expanding the MRDT catchment to include Area C of the RDEK
- Securing incremental funds from the City of Cranbrook as part of their overall investment in Economic Development

Each of these options is considered in more detail below:

Visitor Centre Operations

Up until December 2021, the Cranbrook Visitor Centre was operated by the Chamber of Commerce under a fee for service agreement with the City of Cranbrook. A second, seasonal kiosk is operated by volunteers at Elizabeth Lake. Effective January 1, 2022 the contract to operate the Visitor Centre transferred to Cranbrook Tourism. The City currently provides \$66,000 in funding and Destination BC supports the operation of the Visitor Centre with \$18,000 annually. The operation of the Visitor separate and apart from the destination marketing efforts of Cranbrook Tourism was arguably resulting in an opportunity cost and lost efficiencies and effectiveness for tourism businesses in Cranbrook.

Over the last 20 years as mobile technology has transformed the way in which information is shared, Destination BC reports that visitors have been migrating away from 'bricks and mortar' Visitor Centres. Most destinations in the Province have adjusted to this change and offer visitors both digital engagement through 'live chat' features as well as mobile information that travels to the visitor at key events and locations. While some visitors are still interested in stopping by the local Visitor Centre, most stop by simply to use the washroom or the sani-dump. As a consequence the return on investment in Visitor Centres all around the Province, with only a few exceptions for those strategically located on the TransCanada Highway or at iconic attractions like Radium Hotsprings, has been declining.

Further this digital transition has removed the distinction between how visitors receive their information during 'trip planning' and how they receive their information 'in destination' and the importance of and opportunity for consistent messaging and branding across all channels is a significant one particularly given the heightened competition for the return of the traveller through COVID recovery. Consistent branded messaging about the reasons to stop and stay in Cranbrook for multi-nights will more effectively deliver measurable results when compared to the alternative of potentially disparate and uncoordinated communication. While this could be coordinated across two distinct organizations with two Executive Directors and two governing Boards, consolidation under one entity – typically the DMO is increasing around the Province.

Finally, there is an opportunity cost associated with staffing in separate organizations. Under one management, staff can be multi-tasked for increase efficiencies. When a Visitor Councilor is not with a visitor at the counter, they can support the Executive Director in



administrative functions, assist with social media posting and be contributing to the larger organizational workplan.

Expand the MRDT Catchment

The current catchment area for the 3% MRDT includes only the City of Cranbrook. There is an opportunity to expand this catchment to also include Area C of the RDEK. This opportunity has been discussed with the major accommodator in Area C, St. Eugene Resort and will be revisited in the next five-year renewal. Until then, cooperative marketing opportunities will be structured for programs incorporating this property.

Economic Development Investment

Many local governments in British Columbia are recognizing the importance of tourism as a contributor to the resiliency and sustainability of their local economies. Those that are seeking to grow their resident base also recognize that most new residents were visitors first and having been exposed to the potential lifestyle then chose to relocate.

Communities of similar size to Cranbrook were benchmarked for comparison:

	Population (2016 census)	Room Base	MRDT - 2019	City/District Contribution to DMO/Visitor Services
Campbell River	35,138	534	\$521,340	\$250,000
Penticton	33,761	1,807	\$696,168	\$275,000 Fee for Service Contract for VC operation
Squamish	19,512	526	\$430,000	\$60,000 + Fee for Service Contract for VC operation
Cranbrook	20,047	837	\$380,000	\$66,000 for VC operation

While there is a clear case for the City of Cranbrook to provide financial support to Cranbrook Tourism based upon these comparisons, there are also significant investments to be made in downtown revitalization, beautification and improvement of the arrival experience in Cranbrook. Further, stakeholders indicated the need for the City to invest in parks, trail development and maintenance and other improvements to the experience Cranbrook offers to visitors. If the City commits to these experiential improvements, it is unlikely they will also make a direct financial contribution to Cranbrook Tourism beyond maintenance of the fee for service contracted funding for the operation of the Visitor Centre.

Forecasted Funding

With the transfer of responsibility for operating the Visitor Centre, total estimated resources available to Cranbrook Tourism over the next five years are as follows (note: MRDT estimates reflect the gradual return of travel volumes through COVID recovery in Years 1 and 2):

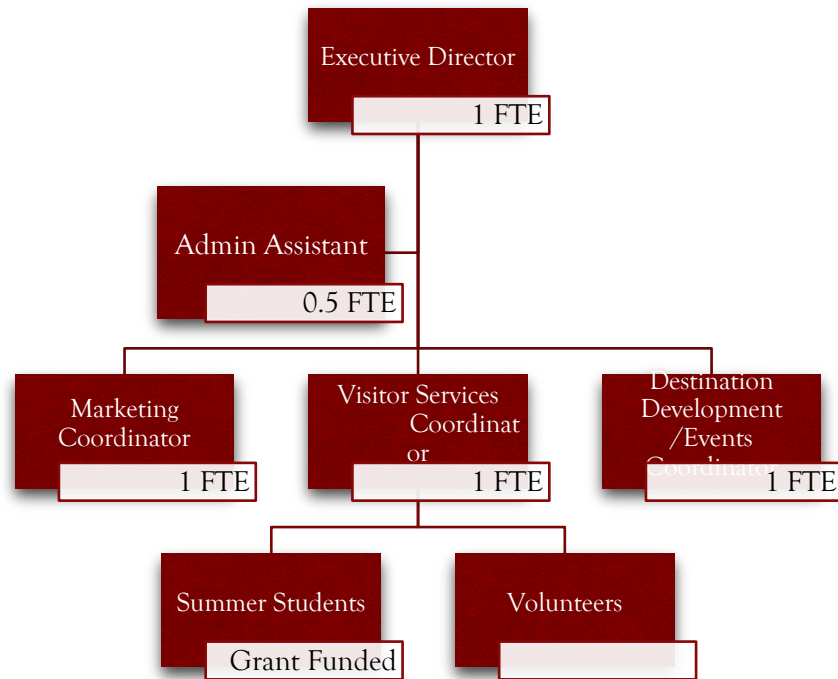
	Year 1	Year 2	Year 3	Year 4	Year 5
3% MRDT	\$380,000	\$400,000	\$420,000	\$440,000	\$460,000
Fee for Service Contract – VC Operation	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000
DBC Visitor Centre Support	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750
DBC Open Pool Admin Fees 15%	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Grants	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Annual Operating Budget	\$499,750	\$519,750	\$539,750	\$559,750	\$579,750

Organizational Structure and Year One Priorities

In 2021, the team at Cranbrook tourism was staffed with two individuals – the Executive Director and a Marketing Coordinator. Their focus to date has been the creation of foundational destination marketing tools, platforms and content. This work must continue.

This strategy also identifies the need to commission market research necessary to understand current traveller perceptions of Cranbrook and make further investments to build brand awareness and understanding of ‘why Cranbrook?’.

Beyond these important destination marketing strategies, stakeholders are looking to Cranbrook Tourism to provide leadership and build collaborative relationships amongst all the players in the ‘tourism ecosystem’ as important discussions are held and decisions made on the manner in which Cranbrook develops as a destination. As well, there is a desire to expand partnerships throughout the region to leverage and optimize resources invested as well as engage more meaningfully with Cranbrook residents. These additional areas of focus will require a larger investment in human resources. The following organizational structure is recommended to reflect assumption of the Visitor Centre contract.



High-level budget allocations are as follows for Year 1:

Investment Category		Budget
Marketing Programs	Social/website/ influencers/ research etc.	\$321,000
Visitor Centre Operation	VC/Mobile visitor services	\$ 78,750
Destination Development	Engagement with stakeholders, residents, event organizers	\$ Staff time only until additional resources are secured*
Management	Salaries/Wages/Benefits (20%)	\$100,000
Total		\$499,750

*A grant application to the Tourism Relief Fund is currently in progress that, if successful, will support destination development activities specifically related to festivals and events.

Next Steps

Once the Board of Directors reviews/modifies/approves this five-year strategy, a more detailed tactical plan will be developed each year within this strategic framework that aligns with the confirmed resources available. This tactical plan will serve to advance the objectives of the strategy and drive progress towards the vision. It will also identify specific tactics and budgets for review with the Board of Directors.

Appendix A – Literature Review

A literature review was conducted to inform the context for planning. Key insights are noted below:

Destination Canada Research:

https://www.destinationcanada.com/sites/default/files/archive/1398-Destination%20Canada%20Visitor%20Economy%20Forecast%20Update%20-%20June%202021/DC%20Forecast%20Update%20_June%202021_EN%20-%20FOR%20PUBLICATION.pdf

Recovery Scenarios

The difference between the ideal and poor travel conditions could affect our recovery by years

Travel Conditions	REV. IN 2021 (\$B)	LOSS IN 2021 VS 2019 (\$B)	LOSS IN 2022 VS 2019 (\$B)	RETURN TO 2019 LEVEL
Ideal	\$55.0	-\$50.1	-\$14.5	2023
Current	\$51.1	-\$54.0	-\$22.5	2025
Poor	\$46.0	-\$59.1	-\$34.8	>2026

Source: DC Research, May 2021 Forecast

Destination Canada's research forecasts a return to 2019 travel volumes by 2023, 2025 or 2026 depending upon a series of assumptions related to vaccination rates, COVID variants and the associated travel restrictions both within Canada and in key markets. A critical driver of the speed of return is the timing of the reopening of the border with the United States.

Destination Canada continues to note that the single greatest short-term opportunity for the Canadian tourism industry is domestic travel by Canadian residents themselves. Canadians (as well as residents from most developed countries around the world) have stockpiled savings through the pandemic (an average of \$5800 per household in Canada) and there is a pent-up demand for travel. The longer-term opportunity for the industry is to recover traditional longer-haul international markets and retain at least a portion of the domestic travel market that will have experienced Canada and may be convinced to

permanently transfer at least a portion of their international travel budget to domestic spending.

Converting Canadians in 2021 will be critical

Canadians have unused travel resources:

Disposable income: Canadians normally spend more on travel abroad (\$40B) than international travellers spend in Canada (\$23B)

Vacation time: Canadian also spend as many nights travelling abroad as they do travelling in Canada

In 2020, we saw a limited amount of these resources being re-circulated in Canada

- Internal 'fences' within Canada limited travel
- Uncertainty on the economic situation limited confidence to travel

The opportunity:

Converting 10-12% of these Canadian expenditures could net an additional \$4B to \$5B over and above the inter- and intra- provincial spend:

- This number could be higher if Canadians spend as much per trip abroad (generally, Canadians spend 3 times more on trips abroad than at home)

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<https://www.nationalgeographic.com/travel/article/heres-how-covid-is-changing-travel-according-to-the-experts>

8 travel trends identified:

- Sustainability will become a driving force
- Our journeys will become more inclusive
- Small communities will play a bigger role – slower pace, lesser known, support local
- We'll seek quality over quantity of travel – refine our bucket list
- Road trips will remain popular – understanding that there is no need to travel far to enjoy a new destination
- Travel advisors like travel agents will again become an important part of planning
- We'll appreciate staying closer to home
- Travel planning will become joyful again

<https://www.euronews.com/travel/2021/05/14/what-will-travel-look-like-in-a-post-covid-world>

Trends identified:

- Conscious travel
- Time in nature as an antidote to modern life
- Wellness tourism
- Engaging with locals
- Increased demand for local, smaller accommodations (vs. large hotels)



- Slow travel – walking, cycling
- Work and vacation – longer stays in destination doing both
- Safe locations/flexible cancellation policies